(c) the action taken to ensure that local traders do not take undue advantage of the situation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) There does not appear to have any direct relationship between international prices of crude oil and domestic prices of gold. International prices of crude oil (Brent) per barrel increased from US $ 45.25 on 1st December, 2004 to US $ 66.84 at the end of August 2005, after which crude oil prices indicated a declining trend and stood at US $ 55.97 as on 23rd November, 2005. On the contrary, Delhi Standard gold prices per gram declined from Rs. 669/- as on 1st December, 2004 to Rs. 632/- per gram at the end of August 2005. After which gold prices indicated an upward trend and stood at Rs. 741/- per gram as on 23rd November, 2005.

(c) Recently, the new foreign trade policy 2004-09 has provided various incentives pertaining to duty free import of gold and jewelleries for exporters. These liberalised imports act as measures to check abnormal rise in the price of gold.

GDP Growth Rate

661. DR. K. MALAISAMY: Will the Minister of FINANCE be pleased to state:

(a) the major areas of economic reforms advocated by the present Government to sustain high growth rate;

(b) to what extent he has been successful in implementing such reforms;

(c) whether it is a fact that there are glaring gaps in the Infrastructure Sector and the proposed tax reforms; and

(d) to what extent better monsoon and higher farm growth will help GDP growth?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Economic reforms are an ongoing process. Recognizing the need for all round growth of the economy, various measures have been taken for growth of the agricultural, industry and services sectors. These include agricultural diversification, improvement of infrastructure including irrigation, repair, renovation and restoration of

water bodies, increased credit flow and sector-specific initiatives to improve growth of the industry and service sectors.

(c) The measures to reduce infrastructure constraints include promoting increased investment opportunities, higher public investment and public-private partnership for development of infrastructure sectors like roads, railways, ports and airports. The tax reform measures are aimed at fiscal consolidation through the Fiscal Responsibility and Budget Management (FRBM) Act, rationalisation of direct and indirect taxes.

(d) Since agriculture contributes about 21 percent of the Gross Domestic Product (GDP), growth of the farm sector is important to achieve high growth. The output of the agriculture sector in India is to a considerable extent dependent on widespread and good monsoon.

Misuse of funds allotted to NGOs

662. SHRIMATI SUKHBUNS KAUR: Will the Minister of FINANCE be pleased to state:

(a) whether Accountants General at their annual meeting held in New Delhi on September 22, 2005 expressed serious concern about misuse, abuse and misappropriation of funds and resources allotted to the Non-Government Organizations (NGOs) for various Government schemes;

(b) if so, the precise observations and suggestions made by the Accountants General at the meeting; and

(c) the steps taken and being taken to prevent such abuse of resources?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir. In the recommendations of the Conference of Accountants General held on 20-22 September, 2005, misuse, abuse or misappropriation of funds do not find specific mention.

(b) and (c) Does not arise in view of reply to (a) above.

Task Force on Rural Co-operatives

663. SHRIMATI SUKHBUNS KAUR: Will the Minister of FINANCE be pleased to state:

(a) whether a conference of Chief Ministers was called in September, 2005 to consider implementation of the recommendations of the Task